TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE

FISCAL NOTE



SB 32 – HB 223

February 11, 2011

SUMMARY OF BILL: Authorizes the Department of Transportation (TDOT) to allow commercial advertising on the Tennessee 511 system, which provides current information on state-wide traffic conditions. Prohibits advertising of alcohol products, tobacco products, and campaign advertising. Requires all revenue generated from advertising to be deposited in the Highway Fund.

ESTIMATED FISCAL IMPACT:

Increase State Revenue - \$400,000/Highway Fund Increase State Expenditures - \$50,000/Highway Fund

Assumptions:

- The Tennessee 511 system had almost 1,000,000 calls in 2010. While it is difficult to quantify an exact amount of revenue due to several unknown variables, it is estimated that 511 system advertising would result in an increase in state revenue of \$400,000 to the Highway Fund.
- According to TDOT, advertising services would be contracted at a cost of approximately \$50,000 per year.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

James W. White, Executive Director

Tom W. White

/bos